

House File 670

H-1138

1 Amend House File 670 as follows:

2 1. By striking everything after the enacting clause and
3 inserting:

4 <Section 1. NEW SECTION. 578B.1 Short title.

5 This Act shall be known as the "*Self-Service Storage*
6 *Facilities Act*".

7 Sec. 2. NEW SECTION. 578B.2 Definitions.

8 As used in this chapter, unless the context clearly requires
9 otherwise:

10 1. "*Commercially reasonable sale*" means a sale that is
11 conducted at the self-service storage facility, at the nearest
12 suitable place to where the personal property is held or
13 stored, or on a publicly accessible internet site that conducts
14 sales or auctions.

15 2. "*Default*" means the failure by the occupant to perform on
16 time any obligation or duty set forth in a rental agreement or
17 this chapter.

18 3. "*Emergency*" means any sudden, unexpected occurrence
19 or circumstance at or near a self-service storage facility
20 that requires immediate action to avoid injury to persons
21 or property at or near the self-service storage facility,
22 including a fire.

23 4. "*Last-known address*" means the postal address or
24 electronic mail address provided by an occupant in a rental
25 agreement or the postal address or electronic mail address
26 provided by the occupant in a subsequent written notice of a
27 change of address.

28 5. "*Late fee*" means any fee or charge assessed for an
29 occupant's failure to pay rent when due. "*Late fee*" does not
30 include interest on a debt, reasonable expenses incurred in
31 the collection of unpaid rent, or costs associated with the
32 enforcement of any other remedy provided by law or contract.

33 6. "*Leased space*" means individual storage space at a
34 self-service storage facility which is rented to an occupant
35 pursuant to a rental agreement.

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1 7. "*Occupant*" means a person entitled to the use of leased
2 space at a self-service storage facility under a rental
3 agreement or the person's successors or assigns.

4 8. "*Operator*" means the owner, operator, lessor, or
5 sublessor of a self-service storage facility or an agent or any
6 other person authorized to manage the facility. "*Operator*" does
7 not include a warehouse worker if the warehouse worker issues a
8 warehouse receipt, bill of lading, or other document of title
9 for the personal property stored.

10 9. "*Personal property*" means movable property not affixed
11 to land, including goods, wares, merchandise, motor vehicles,
12 watercraft, household items, and furnishings.

13 10. "*Property that has no commercial value*" means property
14 offered for sale in a commercially reasonable sale that
15 receives no bid or offer.

16 11. "*Rental agreement*" means an agreement or lease, written
17 or oral, that establishes or modifies the terms, conditions,
18 or rules concerning the use and occupancy of leased space at a
19 self-service storage facility.

20 12. "*Self-service storage facility*" means real property
21 designed and used for the purpose of renting or leasing
22 individual storage space to occupants who are to have access
23 to the space for the purpose of storing personal property. If
24 an operator issues a warehouse receipt, bill of lading, or
25 other document of title for the personal property stored, the
26 operator and occupant are subject to chapter 554, article 7,
27 and this chapter does not apply.

28 13. "*Verified mail*" means any method of mailing offered by
29 the United States postal service or private delivery service
30 that provides evidence of the mailing.

31 Sec. 3. NEW SECTION. 578B.3 Facility not residence.

32 1. An operator shall not knowingly permit a leased space
33 at a self-service storage facility to be used for residential
34 purposes.

35 2. An occupant shall not use a leased space for residential

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1 purposes.

2 Sec. 4. NEW SECTION. **578B.4 Notice and consent for**
3 **inspection and repair.**

4 Unless otherwise provided in a rental agreement, an
5 occupant, upon reasonable request from the operator, shall
6 allow the operator to enter a leased space for the purpose of
7 inspection or repair. If an emergency occurs, an operator may
8 enter a leased space for inspection or repair without notice to
9 or consent from the occupant.

10 Sec. 5. NEW SECTION. **578B.5 Lien — late fee — electronic**
11 **communication permitted.**

12 1. The operator of a self-service storage facility and the
13 operator's heirs, executors, administrators, successors, and
14 assigns shall have a lien upon all of an occupant's personal
15 property located at the self-service storage facility for
16 delinquent rent, late fees, labor, or other charges incurred
17 pursuant to a rental agreement and for expenses incurred for
18 preservation, sale, or disposition of the personal property.
19 The lien established by this subsection shall have priority
20 over all other liens and security interests except for those
21 perfected prior to the time the personal property is brought to
22 the self-service storage facility.

23 2. The lien described in subsection 1 attaches on the date
24 on which personal property is brought to the self-service
25 storage facility.

26 3. If the rental agreement specifies a limit on the value
27 of personal property that the occupant may store in the leased
28 space, such limit shall be deemed to be the maximum value of
29 the personal property in the occupant's leased space.

30 4. A rental agreement under this chapter may provide for a
31 reasonable late fee for failure of the occupant to timely make
32 payments for the leased space when due. A monthly late fee of
33 twenty dollars or twenty percent of the monthly rental amount,
34 whichever is greater, shall be reasonable and is not a penalty.

35 5. The operator and occupant may agree to use electronic

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1 mail to satisfy all notice requirements under this chapter.
2 The parties, if consenting to use electronic mail for notice,
3 must consent to use electronic mail for all notices. If the
4 parties agree, the rental agreement shall contain a section
5 outlining the rights and duties for each party regarding the
6 use of electronic mail.

7 Sec. 6. NEW SECTION. **578B.6 Right to deny access due to**
8 **default.**

9 If the occupant is in default, the operator shall have the
10 right to deny the occupant access to the leased space at the
11 self-service storage facility if such right is set forth in the
12 rental agreement.

13 Sec. 7. NEW SECTION. **578B.7 Enforcement of lien.**

14 1. If an occupant is in default for a period of at least
15 thirty days, the operator may enforce the lien granted in
16 section 578B.5 by selling the occupant's personal property.
17 Sale of the occupant's personal property may be by public or
18 private proceedings. Such personal property may be sold as a
19 unit or in parcels, by way of one or more contracts, at any time
20 or place, and on any terms as long as the sale is commercially
21 reasonable. The operator may otherwise dispose of any property
22 that has no commercial value.

23 2. Before conducting a sale under this section, the operator
24 shall do all of the following:

25 a. Send notice of default to the occupant by hand mail,
26 verified mail, or electronic mail pursuant to subsection 7.
27 The notice of default shall include all of the following:

28 (1) A statement of the operator's claim showing that the
29 amount due at the time of the notice and the date when the
30 amount became due.

31 (2) A brief and general description of the personal property
32 subject to the lien. The description shall be reasonably
33 adequate to permit the occupant to identify the property,
34 except that any container including a trunk, valise, or box
35 that is locked, fastened, sealed, or tied in a manner which

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1 deters immediate access to the container's contents shall be
2 described as such and shall omit a description of the contents.

3 (3) A demand for payment of the charges due within a
4 specified time, which shall not be less than fourteen days
5 after the date of the notice.

6 (4) A statement that unless the claim is paid within the
7 time stated, the contents of the occupant's leased space will
8 be sold or otherwise disposed of after a specified time.

9 (5) The name, street address, and telephone number of the
10 operator or a designated agent whom the occupant may contact to
11 respond to the notice.

12 b. Notify all persons whom the operator has actual knowledge
13 who claim a security interest in the personal property. An
14 operator shall conduct a search to determine whether there
15 is a security interest in property subject to sale if the
16 property is registered under chapter 321 or 462A. At least
17 seven days before the sale, the operator shall also advertise
18 the time, place, and terms of the sale in a commercially
19 reasonable manner. The manner of advertisement is deemed
20 commercially reasonable if it is likely to attract at least
21 three independent bidders to attend or view the sale in person
22 or online at the time and place advertised. The operator may
23 buy the occupant's personal property at any public sale held
24 pursuant to this section.

25 3. If the personal property subject to the operator's lien
26 is a vehicle, watercraft, or trailer, and rent or other charges
27 remain due and unpaid for thirty days, the operator may have
28 the vehicle, watercraft, or trailer towed from the self-service
29 storage facility. The operator shall not be liable for any
30 damages to the vehicle, watercraft, or trailer once the tower
31 takes possession of the property. Removal of any vehicle,
32 watercraft, or trailer from the self-service storage facility
33 shall not release the operator's lien.

34 4. At any time before a sale is held under this section or
35 before a vehicle, watercraft, or trailer is towed under this

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1 section, the occupant may pay the amount necessary to satisfy
2 the lien and redeem the occupant's personal property.

3 5. In the event of a sale under this section, the operator
4 may satisfy the lien from the proceeds of the sale, but shall
5 hold the balance, if any, for a period of ninety days for
6 delivery on demand to the occupant. If the occupant does not
7 claim the balance within ninety days, the balance shall be paid
8 to the county treasurer in the county where the self-service
9 storage facility is located. The county treasurer shall hold
10 the funds for a period of two years. If a claim is not made by
11 the owner of the fund, then the fund shall become the property
12 of the county. There shall be no further recourse by any
13 person against the operator for an action pursuant to this
14 section.

15 6. A purchaser in good faith of any personal property sold
16 to satisfy a lien under this chapter takes the property free of
17 any rights of persons against whom the lien was valid, despite
18 noncompliance by the operator with the requirements of this
19 chapter. The purchaser of a motor vehicle shall apply for a
20 new title to the vehicle by the procedures outlined in section
21 321.47. For all other property which has a written title,
22 the purchaser shall follow the applicable procedures for the
23 property for the transfer of title by operation of law.

24 7. Notice to the occupant under subsection 2, paragraph
25 "a", shall be sent to the occupant's last-known address by hand
26 delivery, verified mail, or electronic mail. Notices sent
27 by hand delivery shall be deemed delivered when the occupant
28 has signed an acknowledgment of delivery. Notices sent by
29 verified mail shall be deemed delivered when deposited with the
30 United States postal service or private delivery service if the
31 notices are properly addressed with postage prepaid. Notices
32 sent by electronic mail shall be deemed delivered when an
33 electronic mail is sent to the last-known address provided by
34 the occupant. If the operator sends notice by electronic mail
35 and receives an automated message stating that the electronic

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1 mail cannot be delivered, the operator shall send notice by
2 hand delivery or by verified mail to the occupant's last-known
3 address with postage prepaid.

4 8. If the operator complies with the requirements of this
5 section, the operator's liability:

6 a. To the occupant, shall be limited to the net proceeds
7 received from the sale of the occupant's personal property
8 less any proceeds paid to the holders of any lien or security
9 interest of record on the personal property being sold.

10 b. To the holders of any lien or security interest of record
11 on the personal property being sold, shall be limited to the
12 net proceeds received from the sale of the personal property
13 subject to the holder's lien or security interest.

14 Sec. 8. NEW SECTION. **578B.8 Exclusive care, custody, and**
15 **control of personal property vested in occupant.**

16 Unless the rental agreement specifically provides otherwise
17 and until a lien sale under section 578B.7, the exclusive care,
18 custody, and control of all personal property stored in a
19 leased space remains vested in the occupant.

20 Sec. 9. NEW SECTION. **578B.9 Supplemental nature of chapter.**

21 This chapter does not impair the powers of the parties to a
22 rental agreement to create rights, duties, or obligations that
23 do not arise from this chapter. This chapter does not impair
24 or impact the rights of parties to create liens by special
25 contract or agreement, nor does it affect or impair other liens
26 arising at common law or in equity, or by a statute of this
27 state. The rights provided to an operator by this chapter are
28 in addition to all other rights provided by law to a creditor
29 against a debtor.

30 Sec. 10. NEW SECTION. **578B.10 Disclosure of flood zone.**

31 The operator shall disclose in the rental agreement whether
32 the self-service storage facility is located in a "special
33 flood hazard area" as defined by the federal emergency
34 management agency in 44 C.F.R. pt. 61, Appendix A(3).

35 Sec. 11. NEW SECTION. **578B.11 Fire, flood, or other**

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1 catastrophic event damage or destruction.

2 If the self-service storage facility is damaged or destroyed
3 by a fire, flood, or other catastrophic event to the extent
4 that the leased space is rendered unusable, the operator
5 shall make a good faith effort to notify the occupant of the
6 event and the occupant may terminate the rental agreement by
7 giving the required notice in the rental agreement. If the
8 occupant terminates the rental agreement under this section,
9 the occupant shall remove all contents of the leased space as
10 soon as is reasonably practicable. Any prepaid rent is due to
11 the occupant upon removal of the occupant's property from the
12 leased space.

13 Sec. 12. Section 321.20, subsection 1, unnumbered paragraph
14 1, Code 2019, is amended to read as follows:

15 Except as provided in [this chapter](#), an owner of a vehicle
16 subject to registration shall make application to the county
17 treasurer of the county of the owner's residence, or if a
18 nonresident, to the county treasurer of the county where the
19 primary users of the vehicle are located, or if a lessor of
20 the vehicle pursuant to [chapter 321F](#) which vehicle has a
21 gross vehicle weight of less than ten thousand pounds, to the
22 county treasurer of the county of the lessee's residence,
23 or if a firm, association, or corporation with vehicles in
24 multiple counties, the owner may make application to the county
25 treasurer of the county where the primary user of the vehicle
26 is located, for the registration and issuance of a certificate
27 of title for the vehicle upon the appropriate form furnished
28 by the department. However, upon the transfer of ownership,
29 the owner of a vehicle subject to the apportioned registration
30 provisions of [chapter 326](#) shall make application for issuance
31 of a certificate of title to either the department or the
32 appropriate county treasurer. The owner of a vehicle purchased
33 pursuant to section 578B.7 shall present documentation that
34 such sale was completed in compliance with that section. The
35 application shall be accompanied by a fee of twenty dollars,

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1 and shall bear the owner's signature. A nonresident owner
2 of two or more vehicles subject to registration may make
3 application for registration and issuance of a certificate
4 of title for all vehicles subject to registration to the
5 county treasurer of the county where the primary user of any
6 of the vehicles is located. The owner of a mobile home or
7 manufactured home shall make application for a certificate
8 of title under [this section](#) from the county treasurer of the
9 county where the mobile home or manufactured home is located.
10 The application shall contain:

11 Sec. 13. Section 321.20A, subsection 1, Code 2019, is
12 amended to read as follows:

13 1. Notwithstanding other provisions of [this chapter](#),
14 the owner of a commercial vehicle subject to the apportioned
15 registration provisions of [chapter 326](#) may make application
16 to the department or the appropriate county treasurer
17 for a certificate of title. The owner of a commercial
18 vehicle purchased pursuant to section 578B.7 shall present
19 documentation that such sale was completed in compliance
20 with that section. The application for certificate of title
21 shall be made within thirty days of purchase or transfer and
22 shall be accompanied by a twenty dollar title fee and the
23 appropriate fee for new registration. The department or the
24 county treasurer shall deliver the certificate of title to the
25 owner if there is no security interest. If there is a security
26 interest, the title, when issued, shall be delivered to the
27 first secured party. Delivery may be made using electronic
28 means.

29 Sec. 14. Section 321.23, subsection 1, paragraph a, Code
30 2019, is amended to read as follows:

31 a. If the vehicle to be registered is a specially
32 constructed vehicle, reconstructed vehicle, street rod, replica
33 vehicle, or foreign vehicle, such fact shall be stated in the
34 application. A fee of ten dollars shall be paid by the person
35 making the application upon issuance of a certificate of title

1 by the county treasurer. For a specially constructed vehicle,
2 reconstructed vehicle, street rod, or replica vehicle subject
3 to registration, the application shall be accompanied by a
4 statement from the department authorizing the motor vehicle
5 to be titled and registered in this state. The owner of a
6 specially constructed vehicle, reconstructed vehicle, street
7 rod, replica vehicle, or foreign vehicle purchased pursuant to
8 section 578B.7 shall present documentation that such sale was
9 completed in compliance with that section.

10 Sec. 15. Section 321.47, subsection 1, Code 2019, is amended
11 to read as follows:

12 1. If ownership of a vehicle is transferred by operation of
13 law upon inheritance, devise or bequest, dissolution decree,
14 order in bankruptcy, insolvency, replevin, foreclosure or
15 execution sale, abandoned vehicle sale, or when the engine of a
16 motor vehicle is replaced by another engine, or a vehicle is
17 sold or transferred to satisfy an artisan's lien as provided
18 in [chapter 577](#), a landlord's lien as provided in [chapter 570](#),
19 a self-service storage facility lien as provided in section
20 578B.7, a storage lien as provided in [chapter 579](#), a judgment
21 in an action for abandonment of a manufactured or mobile home
22 as provided in [chapter 555B](#), upon presentation of an affidavit
23 relating to the disposition of a valueless mobile, modular, or
24 manufactured home as provided in [chapter 555C](#), or repossession
25 is had upon default in performance of the terms of a security
26 agreement, the county treasurer in the transferee's county of
27 residence or, in the case of a mobile home or manufactured
28 home, the county treasurer of the county where the mobile home
29 or manufactured home is located, upon the surrender of the
30 prior certificate of title or the manufacturer's or importer's
31 certificate, or when that is not possible, upon presentation
32 of satisfactory proof to the county treasurer of ownership
33 and right of possession to the vehicle and upon payment of a
34 fee of twenty dollars and the presentation of an application
35 for registration and certificate of title, may issue to the

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1 applicant a registration card for the vehicle and a certificate
2 of title to the vehicle. A person entitled to ownership of
3 a vehicle under a decree of dissolution shall surrender a
4 reproduction of a certified copy of the dissolution and upon
5 fulfilling the other requirements of **this chapter** is entitled
6 to a certificate of title and registration receipt issued in
7 the person's name.

8 Sec. 16. Section 462A.77, Code 2019, is amended by adding
9 the following new subsection:

10 NEW SUBSECTION. 10. The buyer of a vessel sold pursuant to
11 section 578B.7 shall present documentation that such sale was
12 completed in compliance with that section.

13 Sec. 17. Section 462A.82, subsection 1, Code 2019, is
14 amended to read as follows:

15 1. If ownership of a vessel is transferred by operation of
16 law, such as by inheritance, order in bankruptcy, insolvency,
17 replevin, ~~or~~ execution sale, or in compliance with section
18 578B.7, the transferee, within thirty days after acquiring the
19 right to possession of the vessel by operation of law, shall
20 mail or deliver to the county recorder satisfactory proof of
21 ownership as the county recorder requires, together with an
22 application for a new certificate of title, and the required
23 fee. A title tax is not required on these transactions.

24 Sec. 18. REPEAL. Chapter 578A, Code 2019, is repealed.>

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